COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 3829-03

Bill No.: Perfected HCS for HB 1082

Subject: Health Care; Health Care Professionals; Liability

<u>Type</u>: Original

<u>Date</u>: April 26, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the Office of Administration (COA) - Division of Risk Management/General Services, Department of Insurance, Department of Labor and Industrial Relations, and Missouri Department of Transportation assume the proposal will have no fiscal impact on their organizations.

In response to a previous version of this proposal, the **COA** - **Administrative Hearing Commission** assumes the proposal would have no fiscal impact on their organization.

FISCAL IMPACT - State Government	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal changes the laws regarding health care liens. Currently, hospitals, physicians, and other health care providers whose services have been authorized in advance by the employer or insurer can give notice to the Division of Workers' Compensation in the Department of Labor and Industrial Relations for services provided for a work-related injury. The insurance carrier is allowed to pay the amount due secured by the health care provider's lien directly to the provider if the claimant authorizes it, does not challenge the amount of customary charges or that the treatment provided was for injuries caused by the tort-feasor and the amount is the customary charge.

The proposal also allows hospitals and clinics to have a lien on any person entitled to bring a wrongful death action. Such liens are limited to the recovery of medical expenses incurred for the treatment and injuries of the decedent in an amount equal to the portion of the provider's medical expenses not satisfied from the decedent's estate.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration Administrative Hearing Commission
Division of Risk Management/General Services
Department of Labor and Industrial Relations
Missouri Department of Transportation
Department of Insurance

Mickey Wilson, CPA

HW-C:LR:OD (12/02)

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